

GOVERNMENT OF GHANA
MINISTRY OF LOCAL GOVERNMENT AND
RURAL DEVELOPMENT

DRAFT DECENTRALIZATION POLICY
FRAMEWORK

Theme: Accelerating Decentralization and
Local Governance for National
Development

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1. INTRODUCTION

Since 1988 Ghana has implemented comprehensive local government and decentralization reforms as an alternative development strategy. The programme has operated on four main, inter-related pillars, namely political decentralization, administrative decentralization, decentralized planning and fiscal decentralization. Over the years a fifth piece, public-private partnerships, has assumed increasing importance. Two decades of implementation have brought about some successes including the creation of one hundred and seventy (170) local authorities, the transfer of authority, resources and responsibilities from the centre to the local level, awareness-raising amongst the citizenry, infrastructural development with support from the District Assemblies Common Fund and increased collaboration between localities and development partners.

However, fundamental issues need to be addressed. Experiences from implementation have included incoherence or even contradictions in sectoral approaches to decentralization; the need to clarify the role of the region in the national governance architecture; the persisting slowness in integrating decentralized departments into the assembly administration and in implementing fiscal decentralization; the ineffectiveness of local government sub-structures; low capacities and motivation of assembly members; the need to stimulate popular participation in local governance; and streamlining relationships with traditional authorities.

Over the two decades of implementation, various proposals for reform and re-organization has been made and some incremental changes undertaken. It became increasingly clear that decentralization and local governance was still a viable approach to securing sustainable development, but the process had to be accelerated. There was also an urgent need to harmonize proposals for re-organization and approach decentralization reform in a coordinated and holistic manner.

It is to this end that the Decentralization Policy Framework with the theme “Accelerating Decentralization and Local Governance for National Development” has been developed.

The policy framework is divided into eleven (11) parts. The first part introduces the policy, giving the rationale and the organization of the document. The second sets out the process by which the policy was derived and the efforts at wide participation to reflect the underlying ethos of Ghana’s decentralization process. The third chapter considers the legislative, policy and programme context within which this document is set. The fourth section provides an analysis of the situation, some historical background, the achievements, challenges and efforts at reform.

The policy seeks to re-orient the decentralization process to reflect its original impetus. Therefore the fifth section outlines the guiding principles which are drawn from Article 240 of the constitution. The sixth part provides some conceptual clarity on what decentralization should mean in the Ghana’s quest for development. Therefore, it reflects on national, regional, district and sub-district level decentralization, local level democracy and development, municipal services delivery, fiscal decentralization, public-private partnerships, local economic

development, the components of a local social agenda and capacity-building for effective local governance.

Section seven sets out the policy objectives and section eight, the areas of policy action. Nine priority areas of action have been identified namely, political decentralization and legal issues; administrative decentralization; decentralized development planning; spatial planning; local economic development; fiscal decentralization; popular participation and accountability; the social agenda; and the involvement of non-state actors in local governance. The policy measures are outlined in part nine and are preceded with a brief introduction of the pertinent issues. Section ten outlines the framework of implementing agencies. The final part describes the monitoring and evaluation arrangements for ensuring effective policy implementation and review.

2. POLICY FORMULATION PROCESS

The policy formulation process consisted of five main sets of activities, conducted concurrently between September, 2009 and January, 2010. These were ten (10) regional level fora, consultations with various interest groups, submission of written position papers and expert review of relevant reports as well as outputs from the consultations. The exercises culminated in a national stakeholder consultative conference which provided inputs for the nine (9) policy action areas.

The above approach to the review process was adopted with four main priorities in view: (a) that ordinary Ghanaians would have opportunities to participate in the process and feel that their issues had been taken into account; (b) the process would result in a renewed public interest in decentralization and local governance (c) the process harnessed the wide range of available resources including information, experiences and good practices (d) a wide range of products would be generated for accelerating decentralization including the policy document, action plans, additions to the literature and knowledge on decentralization and local governance and contributions to constitutional and legal review.

The review process also benefited from the outputs that emerged from workshops organized during the period by the Electoral Commission on the Legal and Institutional Framework on District Level Elections, the Institute of Local Government Studies and by civil society organizations including the Ghana Anti Corruption Coalition (GACC) and Public Agenda.

3. THE POLICY AND PROGRAMME CONTEXT

The policy is located within the relevant international and national commitments. It builds upon the important policy interventions initiated and ongoing programme activities. The key commitments and initiatives are presented below.

International Obligations

Ghana is a signatory to a number of international and sub-regional conventions and agreements which place responsibilities on the state to devolve power and responsibilities to the lower echelons and promote local democracy and good governance. Among them are:

- Victoria Falls Declaration (1999) on an African Vision on Decentralization;
- The Kigali Declaration (2005) on Leadership Capacity Building for Decentralized Governance and Poverty Reduction in Sub-Saharan Africa;
- Commitments under the New Partnership for Africa's Development (NEPAD) including provisions for
 - (a) democracy and good political governance such as the protection of rights, accountability amongst public office holders and civil servants, fighting corruption, promotion and protection of the rights of women, children, young persons and vulnerable groups;
 - (b) economic governance and management such as transparency in financial management for economic growth and poverty reduction;
 - (c) socio economic development including the objectives for self-reliant and self-sustaining development, strengthening policies and delivery in key social development, affordable access to water energy, finance and ICT, gender equality and broad based participation in development;
- Commitments under the Commonwealth Local Governance Forum declarations/affirmations, which have been endorsed by the Heads of Governments meeting. Among others, the declarations seek to promote and strengthen effective democratic local government and to facilitate the exchange of good practices in local government structures and services.
 - The Singapore Declaration,
 - The Harare Declaration,
 - The Millbrook Action Programme,
 - The Latimer House Principles
 - The Aberdeen Principles
 - Trinidad and Tobago Affirmation.
- Commitments to the Millennium Development Goals and the trends towards an increasing role for local authorities from the perspective of the United Nations Millennium Campaign Strategy (2010).

National Framework

The national context within which the policy operates consists of

- Relevant provisions in the 1992 Fourth Republican Constitution;
- Relevant legislation for decentralization and local governance including:
 - Local Government Act, 1993 Act 462
 - National Development Planning (System) Act, 1994, Act 480
 - Civil Service Law, 1993, PNDCL 327
 - District Assemblies' Common Fund Act, 1993, Act 455
 - Local Government Service Act, 2003, Act 656.

- Subsidiary legislation including the individual Establishment Instruments of the respective Assemblies and the Local Government (Urban, Town, Zonal Councils and Unit Committees) (Establishment) Instrument, 1994 (L.I 1589)
- Institute of Local Government Studies Act, 2003, Act 647
- Legislative Instrument 1961
- Other sector legislation with far-reaching implications for decentralized service delivery including the National Council on Women and Development (Repeal) Act, 2005, Act 693; and Education Act, 2008, Act 776;
- The National Medium Term Development Policy Framework (2010-2013), particularly the governance and human resource development thematic areas;
- The Electoral Commission Memorandum on Changes to the Legal and Institutional Framework for District Level Elections to the Minister for Local Government and Rural Development for Onward Transmission to Cabinet dated 27th February, 2010.

Sector specific guiding documents and initiatives with relevance to accelerating decentralization include

- The Joint Government of Ghana and Development Partner Decentralization Policy Review Document (2007);
- The National Decentralization Action Plan I;
- The Draft Comprehensive Decentralization Policy;
- Intergovernmental Fiscal Policy Framework;
- The Draft Rural Development Policy;
- The National Environmental Sanitation Policy;
- The National Sanitation Policy Strategy Plan;
- The Draft Urban Development Policy;
- Guidelines for the preparation of Composite Budgets;
- Draft Guidelines on the Municipal Finance Initiative;
- The Concept Paper on Street Naming and House Numbering;
- The Concept Paper on Capacity Building, Training and Education in the Local Government Sector (2010);
- Draft Guidelines for Managing Relationships between Local and Traditional Authorities.

The policy also takes cognizance of the sectoral medium term development plans in operation at the time of its preparation including:

- The Ministry of Local Government and Rural Development Sector Medium Term; Development Plan (2010 to 2013) “Building Vibrant District Assemblies for Economic Growth and Development;
- The Local Government Service Medium Term Development Plan;
- The Institute of Local Government Studies Strategic Plan (2011 to 2016).

In particular, the policy acknowledges the goal, objectives and strategies of the Ministry of Local Government and Rural Development Sector Medium Term Development Plan (2010 to 2013). Its goal is to achieve sustainable, equitable economic growth and poverty reduction through

citizen participation and accelerated service delivery at the local level within a decentralized environment. The plan aims at

- Removing operational bottlenecks in the decentralization agenda and fully implementing decentralization reforms;
- Supporting the implementation of Local Government Service Act;
- Linking rural development to district assemblies agenda through the promotion of local economic development;
- Tackling social and economic issues arising out of rapid urbanization and
- Positioning environmental sanitation as the main service delivery core issue within the assemblies.

The policy acknowledges the lessons learned from the implementation of key performance management and poverty-oriented programmes implemented in the sector in the past decade including the:

- Functional Organizational Assessment Tool (FOAT) and the District Development Facility;
- Community Based Rural Development Project;
- Northern Region Poverty Reduction Programme (NORPREP);
- Community Driven Initiative for Food Security (CIFS);
- District Wide Assistance Project (DWAP);
- Afro-Asian Rural Development Organization Support Programme;
- Urban Environmental Sanitation Project (UESP II);
- Urban Poverty Reduction Project (UPRP);
- Urban Management Land Information System (UMLIS);
- The Ghana School Feeding Programme.

Finally, the policy takes account of important programme initiatives undertaken by other sector agencies. These include the Decent Work Programme and the Livelihoods Empowerment Against Poverty (LEAP) implemented at the district level under the auspices of the Ministry of Employment and Social Welfare (MESW).

4. SITUATION ANALYSIS

The assembly system of local governance was introduced in 1988 with the passage of PNDCL 207 bringing into being local authorities known as metropolitan, municipal and district assemblies. Assemblies were given legislating, executing, budgeting, planning and rating authority. Provisions for representation of the people included elected and appointed memberships of assemblies. Between 1988 and 1992, the efficacy of these arrangements for fostering bottom-up, participatory development was tested. The experience also yielded lessons for improving the design. Other reforms were to make provision for members of parliament in the local government system and for development resources through the district assemblies' common fund (DACF). These provisions were enshrined in the Fourth Republican Constitution.

The Constitution identified political, administrative and financial decentralization as a channel for fostering democracy and popular participation in governance. Article 34 section 5 (d) of the 1992 constitution enjoins the state to “make democracy a reality by decentralizing the administrative and financial machinery of government to the regions and districts and by affording all possible opportunities to the people to participate in decision- making at every level in national life and in government”.

Chapter 20 of the Constitution devoted to Decentralization and Local Governance provided broad guidelines on the institutional arrangements, functions of different entities in the decentralized administration, key actors, their roles and responsibilities as well as resources. It identified some imperatives for achieving the envisaged decentralization, namely

- The transfer of functions, powers, responsibilities and resources from the centre to local government;
- Measures to build the capacity of local authorities to plan, initiate, coordinate, manage and execute policies;
- Establish a sound financial base with adequate and reliable sources of revenue;
- Vest control of persons in the service of local governments in local authorities, as far as possible; and
- Create opportunities for people to participate effectively in governance to ensure the accountability of local authorities.

In 1993, the passage of Act 462 provided a legal framework for operationalizing these constitutional provisions. Other laws, including Act 455 (the District Assemblies Common Fund Act), Act 480 (the National Development Planning Systems Act), Act, 479(the National Development Planning Commission Act), the legislative instrument 1589 and the establishing instruments of the different assemblies gradually rolled out the framework within which local authorities would work. Guidelines were developed to facilitate the conduct of business within the assembly system.

Periodically, programmes were developed by the national government itself, as well as with multi-lateral and bi-lateral development partners to facilitate development, poverty reduction and delivery of assembly services.

Twenty years of implementation yielded various results and experiences from the perspective of practitioners as well as the citizenry whose lot the decentralization process was intended to improve. The assembly system did open up the country and demonstrate to the populace that decisions could be taken at levels of government nearest them and that citizens were expected to participate in governance.

However, issues of accountability of chief executives, links and relationships between the various actors (presiding members, chief executives, members of parliament and district coordinating directors), the working of appointed membership system and the capacity of

assembly members to perform their representation and feedback functions have all come up for re-consideration.

Other concerns have related to incomplete functioning of the local government sub-structures, inadequate capacity in terms of full complements of staff, weakness of district departments, the low levels of internally generated revenues, planning and budgeting challenges and unsatisfactory conduct of public hearings. In practice, relationships between local authorities and central government ministries, departments and agencies, sectoral units, development projects and programmes; the scope of responsibilities; reporting mechanisms; needed to be worked out further.

The checks and balances built into the system and the implications for accountability to people needed to be reinforced. The inability of assembly committee systems to function regularly and take development-oriented decisions as well as the lack of opportunities, adequate space and voice for popular participation are also urgent concerns.

The unfinished business in Ghana's decentralization efforts include composite budgeting, the activation of the local government service, functioning works departments, satisfactory public relations and complaints committees have come up for concern. Ghanaians also identify a range of services that could be competently decentralized to the local level so that they do not have to go to the national and regional capitals to get these – including processing pension benefits, business registration amongst others.

Other issues had been overtaken by events. For instance, the provisions in the legislation for local government borrowing are outdated.

The twenty years also witnessed the formulation of laws that contradicted the spirit of decentralization as envisaged by the Constitution. The laws establishing services such as Education and Health; laws that reinforced centralised control of such processes as public procurement and internal audit also denied local control over or sufficient participation in the management of development resources.

The twenty years also indicated areas where there was the need for further articulation. For instance, many practitioners consider that the role of the region as a coordinating and facilitating entity had to be more clearly articulated. Others were the mode of consultation between assemblies and traditional authorities, economic and social groupings and interest groups.

Finally, the national and international environments and their socio-economic, political, technical and administrative dimensions changed considerably over two decades. There were movements in development thinking towards more rights-based orientations, sustainability, prioritizing horizontal and downwards accountability and participation of all sections of the population and pro-poor development. Therefore, particular aspects of the work of the assemblies have become more prominent or urgent, including environmental sanitation and waste management; the need to foster capacity for information and knowledge management; the need for a social agenda including gender, disability, people living with HIV AIDs.

Therefore, for Ghanaian local authorities to respond appropriately and pro-actively there is an urgent need for them to adapt to the changing context.

While a lot of studies and reports had been generated, the issues they raise need to be collated and harmonized. These views must be matched with the insights of the ordinary Ghanaians whose interests the decentralization process must serve.

Since 1999, a number of important efforts have been made to move the decentralization process forward. They include the following:

- The development of an issues paper detailing progress, achievements and the way forward in 1999, after a decade of implementation;
- The passage of the Local Government Service and Institute of Local Government Studies laws (Acts 656 and 647, respectively) in 2003;
- The formulation of a national decentralization action plan in 2004;
- The development of the functional organizational assessment tool (FOAT) to facilitate and harmonize performance assessment and the provision of a district development facility (DDF) to coordinate development resources to district assemblies in a manner that rewards good performance;
- Initiatives to develop policy guidelines for managing decentralization, urban, rural, water and sanitation, local economic development, HIV/AIDs and gender;
- The establishment of the Local Government Service Secretariat and various operational guidelines for the service;
- The development of a plan to de-couple local government dimensions from the central civil service.

In spite of the initiatives above, there is still the need for a coherent policy framework to interpret and accelerate decentralisation in response to the development aspirations of Ghanaians. It is in this regard that this policy has been developed.

5. GUIDING PRINCIPLES

The basis for the policy is enshrined in the provisions of the 1992 Constitution of Ghana. Article 35 (6) (d) of the Constitution provides that “the State shall take appropriate measures to make democracy a reality by decentralizing the administrative and financial machinery of government to the regions and districts by affording all possible opportunities to the people to participate in decision-making at every level of national life and in government”. Therefore, the guiding principles underpinning the policy are the following:

- The principle of the right of all persons to be afforded opportunities to participate in decision making at every level of government;
- The principle of central government transferring relevant functions, powers, responsibilities and resources to local government units in a coordinated manner; and in turn, local governments transferring required resources to sub-structures;

- The principle of enhancing capacity of local government authorities to plan, initiate, coordinate, manage and execute policies in respect of all matters affecting the people in their areas;
- The principle of ensuring local government accountability through on effective citizen participation;
- The principle of ensuring effective control of persons in the service of local government by local authorities.

6. CONCEPTUAL FRAMEWORK

The policy intends that a democratic decentralized local government system will deliver on the national objectives of democracy, development and the effective delivery of municipal services. The signal for the policy is given in Article 35 (6) (d) of the Constitution which requires the state to take foster democracy by decentralizing the administrative and financial machinery of government to the regions and districts. This is reinforced by Article 240 (1) of the Constitution which provides that “Ghana shall have a system of local government and administration which shall, as far as practicable, be decentralized”.

Decentralization: The Concept

Ghana’s Constitution uses the term “decentralization” to mean different things at the different levels of governance. This has been one of the greatest hindrances to the implementation of the decentralization policy, as the use of the same word in different parts of the Constitution suggests that the same meaning is sought to be conveyed.

National Level Decentralization: Ministerial Restructuring

At the national level, decentralization conveys a sense of ministerial restructuring in which at the level of broad generalization, Ministries, Departments and Agencies (MDAs) are to be restricted to policy making, planning evaluation and monitoring of governmental activities.

Regional Level Decentralization: De-concentration

The regional level of governance is constituted by the Regional Coordinating Council (RCC) as the political institution and the regional level Ministries, Departments and Agencies (MDAs) as the bureaucratic and technocratic institutions. It is conceived as a level of de-concentration at which the regional level MDAs operate as departments of the national level MDAs, not of the RCCs, taking instructions from the national level, implementing national level decisions and providing feedback from the sub-national level to the national level MDAs. The regional level therefore coordinates and harmonizes the plans and programmes of the Metropolitan, Municipal and District Assemblies (MMDAs) and transmits these to the national level as and when required.

For this reason, unlike the district level of the governance structure, the regional level is not created as a level with corporate legal personality. For the same reasons, it is not an elected level; it is not a policy-making level; it is not a legislative level; and it is not a taxation level. It simply exists as an extension of the national level institutions.

District Level Decentralization: Devolution

The district level of governance is the devolution level, where decentralization in the true sense of the concept is played out. The District Assembly (DA) is set up as a body corporate with legal personality which can sue and be sued and which can acquire and dispose of assets and other property. Section 4 (1) of the Local Government Act, 1993, Act 462, provides that “Each District Assembly shall be a body corporate with perpetual succession and a common seal and may sue and be sued in its own name”. Section 4 (2) states that: “A District Assembly shall have power for the discharge of any of its functions to acquire and hold movable or immovable property, to dispose of such property and to enter into any contract or other transaction”.

Operating within the framework of national policy, the DA is the policy making body for the district. It has legislative power and it has taxation power. Simply put, the character of the DA has the character spelt out in Article 241 (3) of the Constitution that: “Subject to this Constitution, a District Assembly shall be the highest political authority in the district, and shall have deliberative, legislative and executive powers”.

What these provisions mean is that the DAs make decisions and take responsibility for those decisions. They have the constitutional and democratic mandate of the people to act on their behalf. It is therefore inadvisable to erect bureaucratic and technocratic bodies over the DAs. Possibly the only bodies with the constitutional mandate to override the decisions of the DAs are the national Parliament (and even Parliament is limited by Article 254 of the Constitution which provides that: “Parliament shall enact laws and take steps necessary for further decentralization of the administrative functions and projects of the Central Government but shall not exercise any control over the District Assemblies that is incompatible with their decentralized status or otherwise contrary to law”); and the Courts in the exercise of their constitutional powers of judicial review of executive, legislative and administrative action.

In the true sense of devolution therefore, the vision of Ghana’s decentralization system is one in which the DAs:

- are empowered as legislative, administrative, development planning, budgeting, rating and service delivery authorities;
- have clearly defined functions and responsibilities as well as the power to own, control and manage important expenditure decisions in the local public sector;
- have adequate financial resources and substantial autonomy in the allocation and utilization of resources;
- have ownership of their budgets;
- have structures and mechanisms to promote and enhance probity, accountability and transparency in their administration;
- achieve efficiency, effectiveness and economy in the management of resources;
- have the capacity to deliver on their mandate.

Sub-District Level Decentralization: Delegation

The decentralization powers of the sub-district structures (Sub-Metropolitan District Councils (SMDCs); Urban/Zonal/Town/Area Councils (UZTACs) and Unit Committees (UCs) are in the nature of delegation only. They may take decisions on their own based on the functions and powers conferred on them by law and delegated to them by the DAs but they do not take responsibility for those decisions. Section 15 (1) of Act 462 puts the matter beyond doubt by providing that: “Subject to this Act, a District Assembly may as appropriate delegate any of its functions to such Sub-Metropolitan District Council, Town, Area, Zonal or Urban Council or Unit Committee or such other body or person as it may determine”.

Local Level Democracy

By local level democracy is meant the active participation of the people in the decision-making process. This is to be achieved through a system of non-partisan local government elections in which the representation ratio is calculated at a rate that will enable the elected Assembly members to be both “visible” and “audible” to their electorate at all times.

But local level democracy should also be inclusive. By this is meant that there should be a mechanism whereby groups that have been historically excluded, marginalized or disadvantaged and who stand little or no chance of participating through the electoral mechanism are enabled to participate in the decentralized local government system. This is the basis for the appointment of some members of the local government structures.

Ghanaian local level democracy envisages decentralization within a unitary state. Therefore an appropriate balance should be struck between local autonomy and central control. While the local government units are allowed the measure of “independence” that will permit them to deliver on their mandate of development and municipal services delivery, the central government should also be enabled to exercise the measure of supervision and control that will allow the unity and cohesion of the state to be maintained and that will enable the elected President to exercise his authority over the state and to implement his national policies and programmes.

Local level democracy also provides the context for decentralized planning. Planning is not only required to be “bottom-up”; it is also required to be participatory. Thus decentralized participatory planning should see the active involvement of the sub-district structures, the communities, the chiefs and traditional authorities, CSOs/CBOs/NGOs and other interest groups making inputs into the draft district development plan which ultimately should lead to a participatory budgeting framework in which the people decide with the local authorities the priorities of the district development plan and how the resources are to be appropriated to the programmes and projects in the plan

The guidelines developed by the Ministry of Finance and Economic Planning (MOFEP) on participatory budgeting should be used in conjunction with the framework developed by the National Development Planning Commission (NDPC) for participatory planning under the National Development Planning (System) Act, 1994, Act 480.

Local Level Development

By “local level development” is meant the provision of the economic and social infrastructure and other facilities that inure to the public good. It is the responsibility of the DAs to ensure the overall development of the district as indicated in Section 10 (3) (a) of Act 462.

Ghana’s decentralization programme seeks to deliver development that is functional. In that context, the provision of a school building for example is not considered “development” unless there are teachers, pupils, equipment, books and the other facilities that make the school building functional. Similarly, a Health Centre is not considered “development” unless it is manned by health service providers (nurses, midwives, etc) and is actually attended by clients (patients).

Thus when Article 252 (2) of the Constitution provides that the District Assemblies Common Fund is for “development”, that objective of “development” is not attained by the provision of structures only by the DAs, leaving it to other bodies or institutions to provide the software to make the structures functional.

Municipal Services Delivery

The delivery of municipal services should be timely, efficient and effective as far as possible. Basic education, primary health care, environmental hygiene, municipal transport, waste management, market management, lorry parks administration and settlement planning are all responsibilities of DAs within the sector of municipal services delivery.

It is in this connection that the establishment of Departments of District Assemblies is critical. The policy therefore requires that all national level Departments that are responsible for the provision of these services should be decentralized and operate as Departments of the DAs. This is the rationale for the enactment of L.I. 1961 of 2009 which begins the process of converting district level Departments responsible for the provision of municipal services into Departments of the DAs.

Fiscal Decentralization

It is a part of the policy of decentralization to be faithful to the principle of fiscal decentralization that “the finances follow the functions”. Therefore, the policy seeks to ensure that there is equilibrium between the functions that are transferred to the DAs and the decentralized fiscal transfers that are made available to them by way of the DACF and inter-governmental fiscal transfers. In other words, the totality of the financial resources made available to the DAs comprising the DACF, DDF, budgetary allocations (budgets of decentralized departments plus transfers for payment of DA staff) and the IGFs and other miscellaneous transfers must be sufficient to cover the totality of the cost of providing development and municipal services within the district.

In this connection, the framework developed by MOF for the implementation of the composite budgeting system to achieve the objective of the “District Budget” is critical. District Budget is

defined in section 92 (3) of the Act 462 to “include the aggregate revenue and expenditure of all departments and organizations under the District Assembly and the District Coordinating Directorate including the annual development plans and programmes of the departments and organizations under the Assembly”.

Public-Private Partnerships

The decentralization policy envisages the privatization of certain functions of the DAs or for those functions to be performed jointly by the DAs and the private sector. Initiatives by the DAs in this regard in the areas of waste management, revenue mobilization, market management and the provision of abattoir services have proved successful. What is required is to provide an appropriate framework within which such initiatives may be undertaken so that they can properly be coordinated and harmonized.

District Level Private Sector-Led Development

Ghanaian decentralization seeks to constitute the DAs into enablers to provide the appropriate environment for private sector-led development. In other words, the role played by the State at the national level as an enabler, promoter and regulator of an essentially private sector economy is to be played at the district level by the DAs.

Local Economic Development

It is an important component of the decentralization policy that DAs provide the facilitating environment for local economic development (LED). Policies to promote job creation, the establishment of local industries and the facilitation of intra- and inter-district trade are all part of the mandate of DAs in the area of LED. In this connection, the classical definition of LED as “the process by which local governments, local businesses and other actors join forces and resources to enter into new partnership arrangements with each other or other stakeholders to create new jobs and stimulate economic activity in municipalities, towns and villages” is endorsed by this policy.

District Level Decentralization and the Social Agenda

The social demands of Ghanaian communities require that the decentralization policy focuses on a strong social agenda. For this reason, district level decentralization requires DAs to take on board issues of education, health, water and sanitation, women’s rights and gender issues, children’s issues, young people’s issues, disability issues, people living with HIV/AIDS, human rights observance and poverty reduction interventions.

Capacity-Building in the Local Government System

Capacity building relates in its broadest sense to any activities that enhance the ability of an organization to meet its intended objectives. Although commonly restricted to “training”, the

term should also include human resource development in a broader sense, organizational and institutional development, logistics, resources, adequate incentives and change management.

The MLGRD is responsible for the policy on capacity-building; the Local Government Service (LGS) is the demand institution that determines which capacity building is needed where, and the Institute of Local Government Studies (ILGS) is the institution that delivers the actual training programmes.

Capacity building being at the core of decentralization implementation, the MLGRD and the LGS are expected to liaise closely with ILGS to ensure that there is close correlation between the courses delivered at the Institute and the work demands of the decentralized local governments units.

7. POLICY OBJECTIVES

A comprehensive national policy framework is required to accelerate the decentralization effort towards the ends envisaged in the Constitution and to give the process the clarity and consistency and certainty required to promote local level governance and development. Therefore, this policy has the following objectives:

- i. To clarify the status, roles and relationships between levels of government and the different actors and strengthen their participation and contribution to local governance;
- ii. To improve the administrative and human resource capacity of the MMDAs and other local government stakeholders to ensure quality service delivery;
- iii. To strengthen the capacity for, coordination and implementation of spatial, physical and development planning at the local level and its integration with budgeting and the national agenda, generally;
- iv. To facilitate economic growth, employment and income generation in order to promote household welfare and alleviate poverty;
- v. To improve funding and financial management of MMDAs;
- vi. To promote local democracy, participation and accountability through strong and more viable stakeholder involvement in local governance;
- vii. To promote a rights-based orientation to local level development, ensuring equitable access to public resources and inclusiveness in decision-making;
- viii. To clarify and strengthen the roles and relationships between key non-state actors such as the traditional authorities and civil society groups in local governance;

- ix. To streamline, harmonize and coordinate development partner interventions to ensure optimal use of donor resources for local level development.

8. AREAS OF POLICY ACTION

Towards the achievement of the objectives of the decentralization policy, ten (10) priority areas of action have been identified. They are:

- Political decentralization and legal issues;
- Administrative decentralization;
- Decentralized development planning;
- Spatial planning;
- Local economic development;
- Fiscal decentralization;
- Popular participation and accountability;
- The social agenda;
- Involvement of non-state actors in local governance;
- Institutional mechanism for policy coordination.

9. POLICY MEASURES

9.1 Political decentralization and legal issues

Over the years, considerable efforts have been made by governments in the area of political decentralization. However, concerns remain relating to mode of appointment of chief executives, the constitution and functioning of sub-district structures, demarcation of administrative boundaries of MMDAs and the role of Regional Coordinating Councils (RCCs) in local government arrangements. The review identified a number of areas for constitutional and legislative review.

A fundamental concern is that the concept of “decentralization” has not been defined in the Constitution, giving room for a wide range of interpretations. Other political concerns relate to composition of assemblies of elected and appointed members. Modes of selecting appointed members and their roles have come up for debate. The provision for the member of parliament to be a non-voting member of the assembly has also been questioned. The mode of election of the Presiding Member and their emoluments also needs to be reviewed.

In the area of legislative review, proposals have been made to strengthen the local government act. For instance, the functions of assemblies need to be more specifically outlined in the law and must include local economic development. Departments such as ones for human resources management and liaison with civil society and non-government organizations must be provided for. Borrowing limits and other provisions need to reflect the changing trends. Education, health, fire, forestry, game and wildlife and fisheries are not decentralized sectors and the legislation

governing these services undermine and contradict decentralization in very material particulars. Non-state actors are not specifically provided for in the membership of UZTACs and the UCs. Operationalizing the sub-district structures is a key outstanding issue in the implementation of decentralization. The absence of the sub-district structures makes the local government system incomplete with its attendant operational challenges to District Assemblies. In addition, the numbers are unwieldy and the MMDAs do not have the financial capacity to support them.

The position of the RCC vis-à-vis the Assemblies has been a source of concern to the effective implementation of the decentralization policy. The RCCs currently perform dual roles as representing central government and having oversight responsibilities on the operations of the District Assemblies. However the human capacity and resources to effectively perform these functions have been inadequate over the years.

The central appointment of the DCE who effectively guides the MMDAs – not as a civil servant, but as a political appointee ultimately establishes the local government as an arm of the central government rather than a semi-autonomous layer of local government within a unitary state.

Policy Objective

To clarify the status, roles and relationships between levels of government and the different actors to strengthen their participation in and contribution to local governance

Policy Measures/Action

- Establish appropriate mechanisms and guidelines to clarify and coordinate the roles, functions and relationships between the different sectors and levels of government in the decentralization process;
- Formulate appropriate guidelines to clarify further and regulate the roles and relationships between different actors in local governance namely the DCE, PM and MP and traditional authorities;
- Submit proposals for constitutional review to the constitutional review committee
- Review the processes leading to the selection of DCEs for further transparency, more citizens' participation and accountability;
- Review the representation of the membership of the assembly and sub-district structures to ensure the effective inclusion of key interest groups such as traditional authorities, civil society and disadvantaged, excluded and marginalized sections of the population;
- Review and strengthen the sub-district structures to facilitate the active involvement of citizens in decision making;

- Strengthen capacities of assembly members to enable them perform their functions effectively and also make them responsive to their electorate;
- Strengthen the legal, financial and technical bases of the regions to enable them play their monitoring role effectively;
- Review and harmonize existing legislations with implications for decentralization and enact or provide legislation appropriate to the local government sector
- Set up an independent district demarcation commission to recommend the creation of new districts and regions to parliament.

9.2 Administrative decentralization

Administrative decentralization is a major pillar in the conceptual framework of Ghana's decentralization policy. However a major outstanding issue in the decentralization policy implementation has been the delayed establishment of district departments, which constitute one of the key challenges of the Assemblies in the performance of their responsibilities. The absence of the department under the direct control of the Assemblies has contributed to the limited staff at the local level.

With the passage of LI 1961 the establishment of the district departments and transfer of staff have become major priorities of decentralization implementation to government. Service delivery at the district level require efficient human resource and sustained capacity development, thus capacity development at the district level is key to any decentralization process.

Policy Objective

To improve the administrative and human resource capacity of the MMDAs and other local government stakeholders to ensure quality service delivery

Policy Measures

- Ensure an effective integration of sectoral programmes and assets into the District Assemblies to facilitate coordinated development through the establishment of district departments;
- Provide physical infrastructure for the newly established district Assemblies;
- Strengthen the Local Government Service to provide the necessary human resource needed to form a dedicated bureaucracy at the district level;

- Strengthen the Institute of Local Government Studies to perform its statutory role of training practitioners and policy makers for the local government sector;
- Establish human resource directorates staffed by good human resource managers at the DA levels to direct the strategic planning and implementation for human resource development and manpower requirements.

9.3 Decentralized development planning and budgeting

The planning system is decentralized from the national level to the sectoral, regional, district and sub-district/community levels, requiring collaboration between district-level departments, public agencies, private sector entities as well as civil society and non-governmental organizations. These as well as academic and research institutions, traditional authorities and other identifiable groups and individuals are expected to participate in planning process. In addition, the law provides for the system to adopt a combined “top-down”, “bottom-up” approach to development planning. This in the sense that actual planning should start from the district and sector agencies and be based on policy goals and guidelines provided by the apex coordinating body, the National Development Planning Commission (NDPC). The development policy goals arrived at in national goal-setting exercises must be undertaken with the participation of all sectors of the economy, at all levels of governance and by sections of the society at large.

Effective planning processes are required for assemblies to respond adequately to local development needs. The problems which persist include the non integration of planning and budgetary processes, lack of harmonization of development plans, periodicity of development plans, ineffectiveness of the regional coordinating councils and over reliance on the district Assembly common fund. Citizen participation in the planning and budget processes is also very weak, limiting assemblies’ responsiveness to citizen needs.

Policy Objective

To strengthen the capacity for, development planning and budgeting at the local level, their integration with the national agenda and citizen participation in both processes.

Policy measures

- Review the planning system Act with a view to redefining the role of the Regional Coordinating Councils with a view to providing them with regional planning responsibilities;
- Increase resource availability to District Assemblies in order to allow DAs implement their own priorities in the district plans;
- Strengthen the capacity of Regional and District Planning Coordinating Units by reviewing the membership of the Planning Coordination units to include critical officers and provide the appropriate logistics to make them effective;

- Develop and enforce appropriate guidelines to strengthen citizen participation in the planning and budget process;
- Integrate district plans and budgets into the national agenda.

9.4 Spatial Planning

Spatial planning seeks primarily to address the issue of orderly human settlement and land resource allocation and management. It constitutes a key component in urban governance as cities and towns contribute significantly to national economic, social and environmental development. With the increase of population in towns and cities competing for land spatial planning as a tool for effective land allocation and management become very important.

Current challenges include the lack of a coherent policy direction and effective coordination mechanism for spatial planning, outdated Planning Laws, Standards and Regulations and the absence of accompanying Legislative Instrument to Act 462 to provide for planning standards and regulations to replace Cap 84; undue delays in the granting of building permits by MMDAs, lack of proper understanding of spatial planning regulations and procedures among others.

Policy Objective

To strengthen capacity for spatial planning with the view to integration in district development planning processes.

Policy Measures

- Create effective intergovernmental communication among the stakeholders to ensure integration and coordination of spatial plans and policies across the sectors.
- Strengthen capacity at the local level in spatial planning.
- Revise existing laws to provide enabling environment for spatial planning and land use management.
- Increase education and sensitization programmes of the citizenry on spatial planning laws and regulations.
- Ensure the full integration of the Town and Country Planning Department into the Assembly system.
- Integrate spatial development into the Medium Term Development Planning of the MMDAs.

9.5 Local economic development

Effective local economic development is critical to achieving the envisioned results of decentralization, including appreciable levels of internally generated revenues, options in service delivery, employment opportunities, reduced poverty levels and rapid infrastructural development. Majority of the DAs lack the tools and experience to develop a strategic framework for promoting small and medium enterprises and coherent economic development.

Policy Objective

To facilitate economic growth, employment and income generation in order to promote household welfare and alleviate poverty

Policy Measures

- Facilitate the formulation of a national local economic development (LED) framework to guide MMDAs.
- Promote the development and implementation of local level strategies for local level economic development.
- Encourage assemblies to deepen consultations and publicize fee-fixing resolutions on a timely basis including revising provisions within the ministry's performance measures.
- Develop guidelines for conducting consultations based on the experiences of successful assemblies and to encourage assemblies to budget or make appropriate provision for consultations.
- Facilitate the development of guidelines for public-private partnerships at the local level.
- Encourage assemblies to pro-actively collaborate with key local level agencies including identifying and providing visible support to relevant decentralized agencies such as the Department of Community Development and Cooperatives and the Business Advisory Centres, which operate under NBSSI.
- Promote inter-district trade and harmonize /resolve multiple taxes on same goods/services.
- Provide platforms for sharing information amongst assemblies on good practices and lessons learned in local economic development and small and medium enterprise support.

9.6 Fiscal decentralization

Performance of district level functions requires adequate funds and appropriate financing arrangements for assemblies to make them responsive to the service delivery needs of the population. Decentralization by devolution entails financial autonomy where District Assemblies become initiators and implementers of development within their jurisdictions. This requires a regular allocation of adequate funds to meet their development needs. Inter-governmental fiscal transfers should be based on transparent, objective and fair allocation formulae reflecting the needs and functions of the various units.

Policy Objective

To improve funding and financial management of MMDAs

Policy Measures

- Implement district composite budgeting system;
- Facilitate the identification and harnessing of alternative revenue sources with a view to improving local revenue generation;
- Facilitate revenue assignments so that the composition of revenues depend on the type of expenditure assignments at each level of government;

- Review and harmonize legislation on fiscal decentralization;
- Implement the proposals for the inter-governmental fiscal framework.

9.7 Popular participation and accountability

Even though the constitution guarantees the participation of citizens in local government areas there is widespread dissatisfaction with the state of participation and accountability in Ghana's local government system. Participation in the political process should involve as many people as possible in making vital decisions that affect their lives. Accountability requires people who have been put in positions of responsibility to report on the use of power and resources to those who put them there.

Policy Objective

To promote local democracy, participation and accountability through strong and viable stakeholder involvement in local governance

Policy Measures

- Support extensive civic education programs to raise awareness on issues of decentralization and on other development issues;
- Ensure adequate levels of funding to constitutional bodies such as the NCCE and CHRAJ to conduct education and sensitization activities;
- Promote the use of social auditing techniques by MMDAs to increase participation and strengthen local level accountability;
- Strengthen capacity of assembly members to engage with their electorate on the district development agenda.

9.8 Social agenda

Ghana's local authorities are expected to undertake social development. This is evident in Act 462 as well as in their establishing legislative instruments. The regional and interest group consultations raised a number of social issues relating to education, health, water and sanitation, women's rights and gender issues, children's issues, young people's issues, disability issues, ageing issues, people living with HIV/AIDs, human rights observance and localized action on the millennium development goals and poverty reduction interventions.

Insufficient systematic support has been provided to ensure the growth and participation of women alongside men in local governance and development. Therefore, there is the need to develop a conscious strategy to mainstream gender, build assembly capacity for gender mainstreaming, particularly planning and budgeting and collaboration with women's groups and associations. Similarly, young people's growth and development and the assembly creating an enabling environment for their endeavours should be properly planned and strategized for. Also, assemblies have paid inadequate attention to the disabled and aged. There is a fundamental requirement for water and sanitation infrastructural development for the well-being of under-served groups. Importantly, there is the need to equip assemblies with relevant institutional

structures and strengthen the newly integrated decentralized departments with responsibilities in these areas.

Policy Objective

To promote a rights-based orientation to local level development, ensuring equitable access to public resources and inclusiveness in decision-making.

Policy Measures

- Develop and implement appropriate local frameworks/guidelines for youth training, employment and development generally;
- Develop local level programs with clear targets on establishing and maintaining facilities for child development possibly based on public-private-civic partnerships; such facilities will include community libraries, parks and complexes;
- Promote the enactment of appropriate bye-laws (with clear penalties for parental neglect or lack of child supervision) and public education (aimed at making parents realize that government interventions like school feeding and free uniforms are only complementary to family efforts);
- Promote gender responsive planning and budgeting at the district level with appropriate capacity building support;
- Promote women's participation in local governance through relevant public education and affirmative action to ensure a critical mass of women in assembly administration;

- Institute performance management efforts to periodically assess the effectiveness of the District Response Initiative (DRI) programmes including the extent of achievement of targets in district development plans and action plans;
- Intensify public education on voluntary counseling and testing (VCT) initiatives;
- Develop local level strategies and plans on disability in line with the requirements of the Disability Law;
- Develop local aging programme guidelines from the national aging policy developed by the Ministry of Employment and Social Welfare;
- Develop programmes to sponsor and retain health personnel including health assistants, midwives and community health nurses for the locality;
- Intensify public education on health issues including maternal and child health care;
- Develop and implement local programmes of sustainable public education for attitudinal or behavioural issues to improve sanitation;
- Develop and implement local poverty reduction initiatives targeted at the most vulnerable groups;
- Collate and share lessons from poverty reduction initiatives for capacity-building for assemblies;
- Promote the recording of births and deaths as a right (the right of the individual to be recognised as a citizen) by assisting with requisite facilities and ensure the establishment of birth registration centres at every district hospital;

- Provide public education programmes on citizens' rights awareness and available resources (including free or affordable legal aid) for potential victims.

9.9 Involvement of non-state actors in local governance

The participation of non state actors which include Traditional Authorities and Civil Society Organizations in decision making is important in strengthening Ghana's decentralized democratic governance. The challenge which remains is the lack of formal spaces in mainstream local governance structures for both traditional authorities and Civil Society Organizations to engage with MMDAs.

Traditional Authorities continue to play various roles in their communities to support the work of the district Assemblies and they contribute to district development particularly in the area of infrastructural development, ensuring security, revenue mobilization, provision of land and resources for development and mobilizing communities for development programs.

Current challenges facing the traditional authorities apart from the one stated above, include the limited or lack of consultations in the appointment of the 30% membership of MMDAs even though stipulated by law, lack of consultation in the appointment of District Chief Executives by government which sometimes create unhealthy relationship between traditional authorities and DCEs, conflict between sub-district structures and Traditional Authorities because of sometimes conflict in roles.

Civil Society Organizations (CSOs) facilitate and collaborate with the local government in the development management process. Whilst their activities complement district development their role is not always acknowledged by MMDAs. Current challenges include the lack of harmonization and integration of their activities with those of MMDAs, resulting in sometimes duplication of efforts, ineffective use of resources and failure to tap the huge potential they present.

Policy Objective

To clarify and strengthen the roles and relationships between key non-state actors such as the traditional authorities and civil society groups in local governance.

Policy Measures

- Develop a framework to clarify the roles and relationships of traditional authorities and civil society with Districts assemblies to ensure that their potentials are tapped in district development;
- Institutionalize formal avenues/platforms on which traditional authorities and Civil Society can participate/engage in a range of MMDA activities;

- Streamline, coordinate and harmonize activities of CSO with DA activities to ensure that CSO activities are properly integrated into the district development agenda;
- Strengthen participation of traditional authorities in DA processes such as resource mobilization, infrastructure development, conflict resolution, natural resource management;
- Develop modalities for effective consultation with traditional authorities and other interest groups in appointing the 30% membership of the assembly and other appointments to sub-district structures.

9.10 Institutional Mechanism for Policy Coordination

Coordination is often a major challenge to effective policy implementation. Decentralization by devolution requires a multi-faceted approach to engage all relevant actors. An Inter-Ministerial Coordinating Committee (IMCC) shall be established to provide the mechanism for policy coordination and direction as well as overall oversight for decentralization policy implementation.

Policy Objective

To facilitate effective policy coordination and collaboration for smooth devolution of political, administrative and financial authority from the centre to the assemblies

Policy Measures

- Establish the Inter-Ministerial Coordinating Committee (IMCC);
- Establish a Secretariat to support the IMCC;
- Implement proposals for ministerial realignment to restructure the affected ministries to reflect their new roles and responsibilities;
- Develop indicators to monitor decentralization implementation.

10. IMPLEMENTATION FRAMEWORK

Effective policy coordination and implementation for decentralization requires multi-institutional participation. Apart from actual implementation, a wide range of relevant actors are required to generate policy insights, provide policy advice and direction. However, the following institutional actors shall play the lead roles.

The Ministry of Local Government and Rural Development

The Ministry of Local Government (MLGRD) shall function as the Secretariat for coordinating policy implementation of decentralization. In this connection, the Ministry will formulate Cabinet position papers on issues arising from the decentralization policy and advise on the

structures and processes for decentralized action, the functions to be performed by the decentralized units, the competences to be created at the sub-national levels and the resources to be made available to the structures of local government responsible for decentralization implementation. MLGRD will be required to provide focused support for the implementation of the policy. To this end, it will be responsible for

- Resource mobilisation and allocation in accordance with policy priorities;
- Routine monitoring of policy implementation processes;
- Periodic data-gathering to provide evidence for policy review;
- Policy review, evaluation and impact assessment.

In its policy formulation, coordination, implementation and monitoring roles, MLGRD shall work closely with its agencies and the other institutions indicated below including the Office of the President, the Inter-Ministerial Coordinating Council (IMCC), the Office of the Head of Civil Service (OHCS), Office of the Head of the Local Government Service (OHLGS), the National Development Planning Commission (NDPC), the Ministry of Finance and Economic Planning (MOFEP) other MDAs some of whose functions are transferred and assigned to the local government units.

Inter-Ministerial Coordinating Committee on Decentralization

The policy making role of the MLGRD in relation to national decentralization for accelerated service delivery and equitable and sustained economic growth and poverty reduction at the local level requires that it maintains special relationships with the Presidency and key ministries and agencies.

The challenges in interpreting and delivering decentralization in Ghana in a coherent, cross-sectoral manner have been attributed largely to the lack of effective policy coordination and direction. Therefore, to improve policy coordination and collaboration, an Inter-Ministerial Coordinating Committee (IMCC) will provide the relevant mechanism as well as provide overall oversight for policy implementation.

The IMCC will facilitate the relationship between MLGRD, other sector ministries and agencies and the Presidency. It will be made up of the core decentralization Ministries and chaired by the President or his representative. The presence and functioning of the IMCC should facilitate cross-sectoral implementation of the decentralization policy and accelerate the envisaged processes.

The IMCC will agree on the key issues of decentralization policy and their implementation before these are submitted to the Cabinet and the Presidency for final approvals. It will also oversee the effective dissemination of policy measures and coherent implementation of the arising programmes on a multi-sectoral basis.

The IMCC will advise on harmonizing legislation on decentralization and harmonize sector policies to reflect devolution. It will oversee ministerial re-alignment to reflect changing roles and responsibilities of different ministries vis a vis decentralization and approve indicators to

monitor decentralization implementation. The IMCC will be supported by a Technical Committee which will ensure the implementation of its decisions.

The Local Government Service

The Local Government Service is required to secure the effective administration and management of local government in the country. The Service is expected to provide technical assistance to the RCCs and DAs including providing organizational and job analysis and management audits. The Service will amongst others, develop policy guidelines relating to recruitment, training, promotion, remuneration, discipline, arbitration and petition within the service and monitor and evaluate the performance standards. Therefore, the LGS will play key roles in implementing the policy measures related to administrative decentralization.

Institute of Local Government Studies

The Institute of Local Government Studies is mandated to organize training for the regional coordinating councils, district assemblies and lower local government units and other persons in local governance and related areas to enhance the managerial, administrative, financial and operational efficiency of organs and units of local government. It is also required to undertake and promote research in local governance, publish relevant literature and provide consultancy and advisory services to the Government, units of local government and other parties requiring such services. The Institute is also expected to arrange workshops, conferences and other fora to facilitate reflection on the state of decentralization and local governance in Ghana. Therefore, the Institute will assist in the implementation of capacity building, public education aspects and review of policy delivery.

Metropolitan, Municipal and District Assemblies

Since the policy is aimed at accelerating decentralization and improving local service delivery, Metropolitan, Municipal and District Assemblies (MMDAs) will be primary agents in its implementation. Through the identified policy measures, MMDA's capacities will be built as well as steps taken to enable them operate more efficiently. They will also be required to take initiatives to promote local economic development, develop and implement responsive social agenda and establish and maintain effective communication and collaborative relationships with local non-state actors.

Other Public Services, Ministries, Departments and Agencies

Other public services, ministries, departments and agencies (MDA) will play key roles in policy implementation. They will include the following:

| POLICY ASPECT | ENTITIES |
|----------------------------|--|
| Political decentralization | <ul style="list-style-type: none">• Electoral Commission |

| | |
|------------------------------------|--|
| and legal issues | <ul style="list-style-type: none"> • Parliament • Regional Coordinating Councils • African Peer Review Mechanism Secretariat |
| Administrative decentralization | <ul style="list-style-type: none"> • Office of the Head of Civil Service • Public Services Commission • Ghana Health Service • Ghana Education Service |
| Decentralized development planning | <ul style="list-style-type: none"> • National Development Planning Commission • Ministry of Local Government and Rural Development • Ministry of Finance and Economic Planning |
| Spatial planning | <ul style="list-style-type: none"> • Town and Country Planning Department • Ministry of Water Resources, Works and Housing • Ministry of Lands and Natural Resources • Ministry of Environment, Science and Technology • Lands Commission |
| Local economic development | <ul style="list-style-type: none"> • Ministry of Trade and Industry • Ministry of Food and Agriculture • Ministry of Employment and Social Welfare and its Agencies • National Board for Small Scale Industries • Ministry of Lands and Natural Resources • Department of Community Development • Ministry of Tourism |
| Fiscal decentralization | <ul style="list-style-type: none"> • Ministry of Finance and Economic Planning • Ministry of Local Government and Rural Development • District Assemblies Common Fund (DACF) |

Popular participation and accountability

- Ministry of Employment and Social Welfare
- Ministry of Chieftaincy and Culture
- National Commission on Civic Education
- Commission on Human Rights and Administrative Justice
- African Peer Review Mechanism Secretariat

The social agenda

- National Commission on Civic Education
- National Commission on Culture
- Ministry of Health
- Ministry of Education
- Ministry of Food and Agriculture
- Ministry of Women and Children
- Ministry of Employment and Social Welfare
- Ministry of Youth and Sports and its Agencies

Involvement of non-state actors in local governance

- Ministry of Chieftaincy and Culture
- Ministry of Employment and Social Welfare
- African Peer Review Mechanism Secretariat

Private Sector

Local governance is a multi-stakeholder undertaking and with the changing roles in delivering development, the involvement of the private sector is key. Private sector capacities for mobilizing resources and delivering services as well as collaborating with local authorities in infrastructural development will be called upon. However, some aspects of the policy may witness more private sector participation than others. For instance, in spatial and development planning, the professional bodies associated with the built environment including the Institutions of Surveyors, Architects and Planners as well as the Ghana Real Estate Developers Association (GREDA).

In local economic development, the involvement of the Association of Ghana Industries, Ghana National Chamber of Commerce and Industry, Ghana Employers Association and the Association of Small Scale Industries. In relation to fiscal decentralization, the perspectives of private sector operators, small business associations, occupational groups and local trade associations will be required.

To realise the policy measures relating to popular participation and accountability, the participation of occupational groupings, economic associations and membership organizations will be crucial.

Development Partners

Previously, donor support to the decentralization process and the assemblies had been fragmented and uncoordinated. Initiatives to harmonize funding, capacity building and technical assistance efforts began within the context of the National Decentralization Action Plan (NDAP). To facilitate the delivery of the decentralization policy, opportunities will be found to continue to coordinate donor support even beyond the DDF FOAT.

Given these experiences and as we move towards a sector-wide approach (which emphasizes common funding arrangements and joint monitoring and evaluation), the donor group on decentralization will be expected to work with MLGRD to develop and refine appropriate arrangements.

They will be expected to propose ways in which to undertake common funding, capacity building, review and information sharing amongst themselves as well as with MLGRD and other stakeholders in decentralization.

In line with the Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2009), development partners will be expected to respect and support Ghanaian priorities and assist in strengthening capacities to deliver on the identified policy objectives. They will be expected to work within the policy guidelines and harmonize their interventions and work transparently for effectiveness. Development partners will also be obliged to work towards collaborating amongst themselves and with MLGRD on systems of budgeting, monitoring, reporting and information-sharing.

Partners will be expected to commit to various aspects of the decentralization policy in line with their country strategy positions, in continuation of their already-initiated assistance programmes and as shall be mutually agreed upon between them and the Government of Ghana (GOG).

Non-State Actors

Non-state actors will play critical roles in all aspects of policy implementation and review. The National Association of Local Authorities of Ghana (NALAG) is expected to play a leadership role in getting its members to buy into the policy and take action on the policy measures. The nascent associations of Assembly Members and Presiding Members will also periodically support the review of policy performance from the perspectives of their stakeholders. Other local governance-related bodies including development NGOs such as the Local Governance Network (LOGNET) and the Network of Civic Unions (NETCU), membership organizations like organized labour, market associations, occupational and commodity groupings and faith-based

organizations will periodically conduct alternative reviews and assessments of policy implementation to guide policy review.

There are key policy measures relating to the involvement of traditional authorities in local governance. Therefore, the National and Regional Houses of Chiefs as well as traditional councils at the local level will partner MLGRD, the RCCs and the assemblies in their implementation.

11. MONITORING AND EVALUATION

To enable the Government and the general public to monitor progress of policy implementation, a monitoring and evaluation system will be formulated. A common national framework of indicators and reporting guidelines will be developed and periodically reviewed in a participatory method under the auspices of the IMCC.

The arrangements for monitoring and evaluation will be organized at two levels: (a) continuous monitoring at the programme level and (b) an annual review on key policy areas by MLGRD with technical support from the Institute of Local Government Studies (ILGS).

The policy also envisages a role for civil society organizations and citizens to hold government accountable on the provisions of the policy and to engage government regularly on the progress of implementation. Citizens will have the opportunity to express their views on the performance of government in various areas and exercise their demand for accountability at various levels. The rationale for this process is to ensure whether people are getting satisfactory services at the local level or not, to identify the problems and to provide appropriate solutions.